2851 John Street, Suite One, Markham, Ontario L3R 5R7 **Main** 905.477.9200 **Fax** 905.477.1961



Via E-mail: councilmeeting@toronto.ca

June 13, 2023

Toronto City Council 100 Queen St. West Toronto, ON M5H 2N2

Attention: Sylwia Przezdziecki, Council Administrator

Dear Deputy Mayor McKelvie and Members of Council:

Re: Our Plan Toronto: Recommendations on Forty-Five Employment Area Conversion Requests – Final Report - Agenda Item PH4.5
Submission on behalf of 3125-3389 Steeles Avenue East and 4000 Victoria Park Avenue

We are writing on behalf of our joint venture company STC Investments, the owners of the 16.5 ha (41 acre) property at the southwest corner of Steeles Avenue East and Victoria Park known as the Steelestech Campus, to outline our objections to the City Staff response to our request to convert only a portion of

the campus lands to 'Regeneration Area'. In our view, the City's assessment is incomplete and fails to recognize the challenges and opportunities associated with our efforts to support and intensify a sprawling campus that currently employs 3300 office workers.

The Steelestech Campus is partly occupied by Class 'A' office buildings that are currently home to several high-profile tenants. The buildings themselves are set back considerably from the arterial roads that front the property and, except for some purpose-built restaurants we have recently added as part of our ongoing



program to support existing tenants, the majority of the lands in question remain undeveloped. The northeast quadrant of the site which represents the majority of the requested Regeneration Area is occupied by a massive surface parking lot that dominates the 524m eastern frontage along Victoria Park Avenue and a portion of Steeles Avenue. These lands have remained largely vacant for decades - a

testament to an aggressive zoning policy that has essentially frozen these lands from adding any viable or compatible uses.

Our submission provided substantial expert evidence that supports the importance of converting parts of the SteelesTech campus to enhance the employee experience and help attract additional employers. By adding rental housing, new office space and some retail/commercial and community facilities to these under-utilized lands, will help stabilize the current Class A office and transform the overall site into the kind of dynamic mixed-use community sought by today's businesses and employees, while also

addressing a pressing City priority for rental housing on a shovel-ready property.

In response to our request, the staff report provides an incomplete appraisal of the economic activity in the 'Victoria Park/Steeles Office Focussed Area' by concluding that substantial building permit activity in the area 'demonstrates



increased growth and investment in an area that employs 11,700 people.' This overly positive assessment fails to account for our largely vacant lands, the fact that no office buildings have been built in this sub-market in the past 25 years and more glaringly, it fails to mention the fact that the area is bleeding jobs. According to the City's own 2022 Employment Survey the 'Victoria Park/Steeles Office Focussed Area' had 14,140 jobs in 2017 but only 11,700 in 2022 – a 17% decline in just six years. The Survey also points out that of the City's 23 Employment Areas, this one has experienced the most dramatic decline. When the status quo is clearly not working, it is not worth blithely protecting.

Instead, the City staff report suggests that land intensive uses such as warehouses and fulfillment centres are in high demand and points out that a primary reason for retaining the Employment designation on this entire property is its proximity to Hwy 404 because it provides good access for trucks and vans. In our view, locating other (non-office) employment zone-permitted uses on the lands in front of the Class 'A' office buildings as implied in the staff report would detract from the existing office uses and diminish the opportunity to intensify employment while addressing the City's housing priority.

We recognize the effort required to retain and attract employment to this submarket area and have invested heavily in the Steelestech Campus to make it as amenity rich as possible to suit the values of today's employees – to the extent that government policies will allow us. The office precinct has a soccer field, basketball court, communal gardens, BBQ patios a fitness centre and more – amenities designed to help compete with office markets downtown, along the Avenues and more poignantly in downtown Markham. We recently added some restaurants so people don't have to leave the campus and go

elsewhere and are in the process of adding a hotel to the west side of the property beside Highway 404. We are prepared to intensify employment by investing in a better future for this campus but can't do so under constraints that fail to recognize what the campus is and could be.

We understand the rationale behind the City's aggressive quest to retain employment within its boundaries and appreciate that each of the 150 submissions claims exceptionalism. In our case, that claim is superior and accurate – our application creates and protects thousands of jobs, doesn't remove lands that could be used by other compatible employment uses and adds vitality to an otherwise long stagnant property.

We implore City Council to reject staff's recommendation to further preclude the potential of this overall property by continuing to subject it to a policy that more accurately protects industrial, manufacturing and goods movement objectives that are not relevant in this instance.

Sincerely,

Steve Bishop

Vice President, Development Services

North American Development Group